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of Accounting and Reporting
Eleventh session
4-12 March 1993
Agenda item 5

ADOPTION OF THE REPORT OF THE GROUP ON ITS ELEVENTH SESSION

Draft report

Addendum

Rapporteur: G. G. M. BAK (Netherlands

II. ACCOUNTING EDUCATION AND STRENGTHENING OF THE PROFESSION

B. Review of training programmes in Africa, Asia, Latin America, Europe and North America

20. At the 3rd and 4th meetings, on 5 March 1993, the Group reviewed training programmes in the various regions based on the reports of the Secretary-General (E/C.10/AC.3/1993/4, 5 and 6). A member of the United Nations Secretariat explained that those reports were summaries of the information found in the replies to a questionnaire on accounting education that had been circulated to all member Governments, leading academics and the heads of professional organizations. There had been approximately 91 replies from 73 countries, representing a response rate of over 39 per cent. Resources did not permit the verification of data and the country experts were invited to provide more complete information. The questionnaire data have been computerized so as to facilitate further analysis.

21. She noted that 30 African countries had sent replies and that the information contained in the African questionnaires was consistent with earlier findings presented in Accountancy Development in Africa: Challenge of the 1990s. 1/ It appeared that many countries had had difficulty providing the training necessary to produce fully qualified accountants. Licences were given only in about 15 countries submitting information. In the remaining countries

only an academic degree could be earned. In these circumstances, accountants often sought a foreign credential. Very few of the teaching faculty had a professional certification and salaries were very low. The main deficiencies were lack of trained faculty and lack of appropriate materials. That affected the quality of accountants and made it difficult for accounting education to contribute to accountability in the public sector.

22. A representative of the World Bank stated that the Bank was very concerned about the fragmentation of accountability in Africa, and that it was necessary to design a more cohesive framework for international accounting activities. A concerted approach across a broad range of aspects was needed in the context of assuring good governance. If these other aspects were not addressed, education and training programmes would continue to falter. The Bank was therefore developing a comprehensive programme that included the development of accounting and auditing standards, a quality review scheme for auditors, and strengthening of the profession as well as training. The programme, which put accountability into a broader context, would be discussed with 22 donor countries in the near future. He noted that one neglected area of training was that of information technology and computer-aided accounting.

23. The representative of the Fédération internationale des experts - comptables francophones (FIDEF) thought that such a comprehensive programme would allow the Bank to make an effective contribution. He added that the Bank needed to ensure that there were adequate conditions for the absorption of its resources so that they didn't "melt like snow in the sun". It was important to sell certain ideas before making investments. The recipients must be convinced of the need for accountability and must recognize the contribution of an independent accounting profession in achieving such accountability. In other words it was important to identify the agents of change. As long as there was no profession in certain countries, accountability could not be achieved.

24. The representative of the African Accounting Council stated that the question of education was a front-line issue for the Council and that it had developed programmes and practical approaches to meet its educational goals. He explained that the Council sought to assess and ensure the coherence of various international programmes so that existing resources were used more efficiently. He announced that agencies would be invited to participate in a high-level workshop on the topic. Invited by the Chairman to describe the Council's operational programmes, he mentioned a framework for education and training, a think-tank for designing training programmes and materials, and fellowships for study abroad. He said that some years ago the World Bank had established a 10-year programme for accounting development that would continue for the next six years.

25. The expert from Nigeria asserted that in his view the profession could not be strengthened if it did not exist; therefore education had to come first in any strategy. He indicated that he had attended an extremely large number of conferences on accounting education within the past 20 years, including one in Zaire in 1973 and another in Dakar (Senegal) in 1991. While exchanging views was always interesting, what was needed was action. Unfortunately, there had been no action after those conferences. Concrete steps needed to be taken in the area of regional training centres, materials development, and the application of computer technology. In Dakar, he had seen a regional training

centre that could promote accountancy development but had been unable to fulfil this task owing to lack of funds, local professors and materials. He went on to say that regional centres were needed because a country approach was sometimes too expensive, and he asked the Group to re-examine the regional approach.

26. The expert from Lebanon noted the legislative developments in his country that were laying the basis for a strong profession. In particular he stated that a law was about to be enacted to regulate the profession. International accounting standards had also been adopted. The National Professional Association had contributed to the process by conducting training courses and was preparing an international conference on standard-setting.

27. The expert from Gabon supported Nigeria with respect to the need for the establishment of regional training centres, which had been recommended both in Abidjan (1988) and Dakar (1991). He was of the opinion that commercial accountants, government accountants and auditors must follow a common line of studies until they needed to specialize. He expressed satisfaction with the fact that the Bank's programme was directed towards countries in sub-Saharan Africa. He noted that accounting training programmes were often unsatisfactory and urged the Bank to consider the standardization of accounting education.

27a. The expert from the Sudan noted that while his country produced many qualified accountants, many of them left to work in the Gulf States. As a result, there was an insufficient supply in the government and private sectors. The Sudanese Accounting Council has been created for the purpose of strengthening the profession and for licensing. However, it was not able to offer training to its members owing to lack of foreign exchange.

28. The expert from Kenya thanked the United Nations Secretariat for assembling the document under review, which showed the dire need to strengthen both education and the profession. Kenya was in a slightly more favourable situation than other countries in that it had a large number of accountants and a large number of training institutions, including one college sponsored by the Professional Institute. That college had been set up largely by the profession to provide high-quality training. The college had approached the World Bank under its capacity-building programme in order to widen the activities of the college. In the future, postgraduate courses would be provided on a number of business and management subjects.

29. The Group then turned its attention to the review of accounting education in Asia and Latin America. The expert from India stated that the situation in general was good in his country owing to the educational system and the existence of independent professional organizations that held rigorous examinations and insisted on practical experience. However, supply exceeded demand and that caused significant problems in that many chartered accountants engaged in cutthroat competitive practices in order to obtain business. If a firm was displeased with its auditors, it could easily replace them, causing an erosion of professional ethics. That element was missing from the questionnaire, and he wondered how the Group could take up the question of professional ethics. He agreed with the comments of the representative of the World Bank on the necessity for introducing the computerization of accounts

into the curricula so that fully qualified accountants would be fully equipped when licensed to fulfil their various tasks.

30. The experts from China, Cyprus and Thailand offered amendments to the text of the report to be taken up in its final version.

31. The Group then considered the situation in Europe and North America. The observer from the United States of America commended the Group for its work in taking up the topic and producing the series of reports. She looked forward to the Group's final recommendations on accounting education. She suggested amendments to the text of the report.

31a. The expert from France thought that a clearer distinction was needed in all the reports between certified and commercial accountants. He agreed that government and academic accountants earned less than accountants in the private sector. However, he wondered whether the percentages included in the table adequately reflected such differences. He observed that the critical remarks in the report about accounting education in France were the reflection of a general desire to improve the educational system and should not be interpreted as a criticism of the adequacy of accounting education in his country.

32. The representative of the European Community suggested that a paragraph be added on common elements shared by members of the Community regarding accounting education, such as common rules for the training of statutory auditors. He noted that while it was true that class sizes in Europe were large, this was due to the democratization of education and was not peculiar to accounting. In the same way he thought that the fact that accounting professors earned lower salaries than their colleagues in practice was not typical and therefore not highly relevant. Moreover, he stated that accounting professors could normally do consultancy work which might provide them with additional income. He was of the view that the European Community on the whole did not lack trained professors. The experts from Italy, Switzerland, Spain and Sweden made corrections to the text to be taken up in the final report. The representative of the European Community corrected information regarding his own country, Belgium.

33. The expert from the Netherlands said that it had been hard to fill in the questionnaire owing to a certain confusion over what was to be included. He mentioned that Netherlands universities issued diplomas that automatically qualified the recipients as auditors and members of the professional institute. To receive the diploma they needed a doctorate in economics and three years postgraduate experience. The professional institute also had its own educational programme and examination which were recognized by law to be of the same calibre as the university diploma. Education in the Netherlands was based largely on the clinical model described in document E/C.10/AC.3/1993/3. In that model postgraduate education was largely provided by part-time instructors such as him. While there were deficiencies in the Netherlands system, in general it was up to standard in quality.

34. The Group then turned its attention to the situation in Central and Eastern Europe. The expert from Bulgaria stated that the Group had the responsibility to come up with a global view of accounting education, since in some countries the concept of accounting education was not clearly defined. He

elaborated on the various levels of accounting and auditing education in his country.

34a. He was followed by the experts from Hungary and Ukraine who also explained their systems. The Ukrainian observer said that retraining accountants in his country was difficult because of uncertainty over which accounting system to use - the Anglo-Saxon or the Continental (European) one.

35. The observer from Poland reminded the Group that the accounting profession had been established in Poland in 1907 and that at present the system had provided 15,000 accountants with a very high level of education. Seven thousand of those accountants had become certified auditors. Very often foreign experts did not understand that Poland had a good foundation for making the shift to the market economy and was not starting from nothing. For example, cost accounting was well known to Polish accountants, and it was financial accounting that must still be learned. In the area of standard-setting, Poland must develop its own standards after discussion and not have those standards imposed. She concluded by stating that Poland wanted to be a partner on an equal basis.

36. The observer from the Czech Republic noted that the statement of the observer from Poland regarding the quality of her country's educational system applied to his own country as well. The Czech Republic's educational system had enabled his country to make enormous progress in shifting to the market economy and new rules on accounting. The Union of Accountants had created a group of trainers and had given lectures to all accountants on the intent and content of the new laws. Currently those accountants must learn how to implement those laws. A new chamber of auditors that had taken over a number of functions from the Ministry of Finance including the certification of auditors had also been established. The chamber intended to train auditors in the future but it had not yet decided on its programme. He thought that it might be necessary to set up a special body for training. This concluded the Group's discussion of the three reports.

Notes

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II. ACCOUNTING EDUCATION AND STRENGTHENING OF THE PROFESSION

C. Reports by international and regional organizations

37. At its 5th and 6th meetings, on 8 March, the Group considered the three reports by international and regional professional organizations:

(a) "Professional accounting education: some requirements for the year 2000 and beyond" (E/C.10/AC.3/1993/7);

(b) "Recent developments affecting the European accountancy profession" (E/C.10/AC.3/1993/8);

(c) "The education of European accountants and challenges of the international economy" (E/C.10/AC.3/1993/9).

In introducing the reports, a member of the Secretariat said that they represented the views of the various international and regional professional bodies on accounting education. Since accounting was not a purely theoretical discipline but a largely practical one, the experiences of the professional bodies were extremely relevant in improving education.

38. In commenting on the report on professional accounting education requirements (E/C.10/AC.3/1993/7), a representative of the International Federation of Accountants described the dual objectives of its Education Committee, which were to develop guidelines, papers and policies on pre-qualifying and continuing education and to act as a catalyst to bring together developed and developing countries. The Committee, under its first objective, had issued a number of guidelines on pre-qualifying education and training, tests of competence, core knowledge and professional subjects, supportive subjects, practical experience requirements, education and training for accounting technicians, the impact of information technology on the accounting profession, professional ethics, and continuing education. Regarding the second objective, he said that the Committee had developed a clearing house concept to deal with the problems among developed and developing countries. The Committee saw itself in a brokering role, and it would support member bodies which wished to assist developing countries to make applications to the World Bank for funding.

39. He stressed that if accountants were to succeed in a dynamic environment, then accounting education must give them the ability to engage in lifelong learning as well as various communication, negotiation, intellectual, accounting and personal skills. Above all, accountants had to be adaptable. It had been said that what counted was not what a person knew but what the person was capable of learning. He gave an example, in the field of information technology, of how the Institute of Chartered Accountants of Ireland was helping its older members to acquire the computer skills they needed to function in a modern work environment. He concluded by saying that a great deal was happening in the field of education, that many educational materials were available for distribution and that possibly IFAC could start an information exchange system through a newsletter or other means.

40. The expert from Jordan stated that while he appreciated the report, one had to look at the problem of accounting education from a practical aspect. Many things needed to be done in the field of accounting education, particularly for the developing countries and countries in transition. Unfortunately, the report contained nothing in the way of application which would help close the "education gap". He suggested that IFAC promote international standards for qualifying accountants and an international examination. They would solve the problem of world-wide recognition, which was currently being solved on a bilateral basis through mutual recognition. Two things were needed: a master plan for accounting education, and an international leader. The expert from Nigeria thanked IFAC for its contribution and allied himself with the statement of the expert from Jordan. He thought that the challenge could be taken on by a consortium of IFAC and the World Bank, since the Bank had the resources to fund the ideas of IFAC. Other bodies such as ISAR should also join together in the effort.

41. A number of experts commented on the stress given to general knowledge in the report, and they were of the opinion that such general knowledge was required of all professionals - not just accountants. The expert from Sudan added that it was unclear how one could distinguish pre-qualifying education from general education. He stressed the need for standardization for the benefit of better guidance to developing countries. As an example, he noted that some accounting curricula were comprised of only a small number of

subjects (the United States curriculum for CPA was comprised of about six subjects), while others were far more extensive (some European curricula were comprised of 14-18 subjects).

42. A number of experts asked specifically what IFAC was doing to help developing countries and countries in transition. The expert from Germany asked if IFAC would like to work with ISAR to develop world-wide standards for a qualification. The expert from Kenya stated that IFAC had not fulfilled its role to develop the profession worldwide and noted that probably there was a question of resources. Developing countries needed investment in accounting education and adequate standards. The expert from Gabon mentioned that programmes of structural adjustment had been forced on many African countries. He asked how could they be successful when there was no reliable accounting information, because there were no qualified accountants? Some African countries did not have even one certified public accountant. It was not enough for international organizations such as IFAC and the World Bank to have the will to help. If the World Bank was requiring structural adjustment, it should provide the means. In addition, there was not a single member country in IFAC from his group of francophone African States.

43. The expert from the Netherlands said that the report was too vague and that a more operational document was needed. He focused on four areas which could assist developing countries. They were:

(a) The distinction between different types of accountants and auditors;

(b) A focus on the career development of students. The education described in the report was what a 50- to 60-year-old professional should attain, whereas the focus should be on how young people could get into the profession. In his country there were two tracks - one via the university, and the other "learn as you work". The latter might be an important solution for developing countries, because it resulted in high quality but also gave the student the opportunity to work;

(c) The report gave the impression that accounting education was a question of assembling various building blocks, whereas education should be circular: students needed to see everything at an early stage and to continue to go into depth throughout their studies;

(d) Lastly, there was a relation between pre- and post-qualification. It was not possible to educate the student for every possible situation; some things needed to be left for post-qualification study, and that could reduce the burden of pre-qualification education.

44. The expert from Switzerland said that his country had a system of apprenticeship which might be a solution for developing countries. He agreed with the proposal of the expert from Jordan for a world-wide solution to the question of qualification. The expert from Pakistan suggested that IFAC also prepare training materials for that qualification, as had been done by the Conference of Accountants of Asia and the Pacific for accounting technicians. The expert from India remarked that the report largely discussed the education relevant to developed countries, whereas it was the developing countries that

needed the improvement. The question was how the ideals in the report could be translated into reality for the developing countries.

45. The representative of IFAC responded to the comments in general by saying that he would report them back to the Council of IFAC and that the Education Committee could take limited action on some points. The main difficulty in taking up all the proposals was one of resources. Regarding developing countries, he said that the Committee had identified Africa as an area where IFAC could be of use but that most of its efforts would be in the capacity of "catalyst". The Chair concluded the discussion of the report by again urging IFAC to harmonize educational standards.

46. The Group then turned its attention to the report which described the situation in Europe (E/C.10/AC.3/1993/8). The Secretary-General of the Federation of European Accountants noted that historically the most significant characteristic of the profession in Europe was its diversity. However, the profession was currently facing the same two challenges throughout the region. The first challenge was to respond to the marketplace, which was becoming less national and more international, and to provide more similar services throughout that market; the second was to operate within a regulatory framework which was also decreasingly national and increasingly regional and international. Education and training had to respond to both challenges. The Eighth EC Directive, by harmonizing the minimum requirements for the authorization of statutory auditors, provided a solid common base for the liberalization of the accountancy profession, including the mutual recognition of qualifications. The report focused on the response of the profession to that evolving regulatory framework. Two aspects of their profession were regulated: the services offered, and the organization of the profession. With the creation of a single economic area in Europe, considerable attention was being given to the provision of "cross-border services", based on the procedures of mutual reccgnition. The potential benefits of the European model, including the Eighth Directive, to other countries and regions were explored.

47. During consideration of its report (E/C.10/AC.3/1993/9), the representative of the European Institute for Advanced Studies on Management mentioned additional challenges facing accountants which should be considered when trying to improve accounting education. They included the expectations gap, the difficulties encountered in harmonization and the fragmentation of the profession. Too often, in his view, the education of accountants reflected a national position versus a European one, since accountants must qualify, certify and practise nationally. Nevertheless, the Eighth EC Directive tried to counter that and it was having some effect. He also mentioned the difficulties in Eastern Europe where the entire profession must make the transition to the market economy.

48. The representative of the European Community thought that the implementation of the Eighth EC Directive was leading to major modifications in the regulation of the profession of statutory auditor. He explained that some countries had decided to create a second educational title because of the different options chosen under the Fourth EC Directive, particularly for accountants who served companies not requiring a statutory audit. The directives had to have a certain respect for the national accounting

environments and, therefore, it was incorrect to state that options were an impediment to harmonization. The aim in the Community was not for complete standardization; it was necessary to allow for different treatments in the appropriate circumstances. While the text of the directives might be obscure, the alternative would be to produce a "cookbook", and he did not believe that everything should be regulated.

49. The expert from Germany, in reviewing the three reports, stated that they were not helpful because they did not propose any way to attain the educational objectives presented. He thought that the Group should discuss qualification rules and if it could reach an agreement world wide on the level of the Eighth EC Directive, many problems would be solved.

50. The experts from Bulgaria, the Czech Republic, and Poland stated that the description given in the report of the situation in their countries (E/C.10/AC.3/1993/9) did not give a faithful picture and it was suggested that the section be rewritten with the help of the experts present.

51. The representative of FIDEF commented on the role of the profession in accounting education in Africa. The profession had a double role, which was to help students acquire practical knowledge and theoretical knowledge. In countries where there was no profession - or only a small one - accountants were forced to study abroad. He urged IFAC to help strengthen the profession by supporting centres for technical training and by disseminating its standards. He called for an action plan that had targets and that made better use of the existing infrastructure.

52. In closing, the Chair said that he was glad that the developed countries were sympathetic to the developing ones but that the educational gap seemed to be widening. A global profession was needed, with global qualifications. He again asked which international organization was going to be the leader and develop a master plan for the development of education on a world-wide basis. With responsible leadership, funding would be made available. Such a plan would benefit all, since it would create an environment which had acceptable standards.

53. He also commented on the approach taken by the European Institute for Advanced Studies towards harmonization within the EC.

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II. ACCOUNTING EDUCATION AND STRENGTHENING OF THE PROFESSION

D. Accounting education and strengthening of the profession

54. At its 7th meeting, on 10 March, the Group considered six proposals from the Chairman which, if adopted and implemented, would help accountants and auditors better fulfil their global responsibilities by fostering the creation of a global profession. Three proposals, pertaining to the establishment of global qualification standards, a professional accreditation system and a multilingual dictionary of accountancy, were taken up together.

55. The expert from Germany affirmed the need for global qualification standards which would make the accounting professional equal around the world. It would be necessary to guarantee that only those who met the standard were registered. While in many countries a high level of accountancy had been achieved, there was no common guaranteed level world wide. This posed problems for developing countries and countries in transition, in which accountants were not accepted equally. He suggested that, based on the standards currently proposed, at a later stage new designations should be established, that of United Nations registered accountant and, on a higher level, that of United Nations registered auditor. There remained the question of who should develop such standards. He recommended the creation of a working group by the International Federation of Accountants (IFAC), the World Bank and other interested parties, in which government representatives would participate from

the beginning. Once the standards were written, the United Nations could enter into agreements with government agencies or other institutions which met the standards and the tasks of training and examination could be handled on a franchise basis. The tasks should be supervised by the United Nations so that a minimum level was achieved. He believed that many professionals would be interested in becoming a United Nations registered accountant or auditor. Such a title would guarantee global acceptance of an accountant's work. However, licensing would have to remain at the national level.

56. The expert from France mentioned that IFAC already had a standard for examination. The Chairman explained that what was meant by global qualifications standards included specifying the curricula, textbooks, examination materials and methods for conducting the examinations. The expert replied that he did not think that such work was within IFAC jurisdiction and that, furthermore, there would be financial problems. However, IFAC would be a source of guidance.

57. A number of experts fully supported the proposal as stated by the expert from Germany, including the experts from Cyprus, Mexico, Morocco, Nigeria, Pakistan, Poland, Sudan, Sweden, Switzerland and Ukraine. The expert from Switzerland added that he would like IFAC to undertake the task but that he was reluctant to give that role to IFAC without further guidance, since it had such a heavy Anglo-American orientation. It would be necessary to broaden its perspective by involving the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting. The Chairman noted that the participation of a number of organizations such as the World Bank would ease the financial burden.

58. The expert from the Netherlands concurred with a number of the ideas being considered. However, the normal procedure was to leave as much to the profession as possible and it should therefore be given the opportunity to improve its performance on its own. It was clear that IFAC should be involved in that effort; the question was how to get it to move. If it were unable or unwilling, ISAR would have to seek other means. The representative of the European Community agreed with the expert from the Netherlands and said that it was important to ask IFAC to undertake that task. IFAC should be urged to consider the various regional approaches and should start with the qualifications for accountants rather than that for statutory auditors. The concepts of qualification and licensing should be separate. The United Nations designation would not enable accountants to practise all over the world.

59. The expert from India doubted that IFAC could undertake the task because it seemed to be bogged down and suffered from tunnel vision. He was joined by the expert from Nigeria who thought that IFAC reflected the views of its financial supporters and that it did not have a global perspective. Therefore, together with the expert from Brazil, he thought that the Group would have to monitor the work. The expert from Bulgaria stated that the problem should be resolved within the Group and that IFAC might do the work under contract but the direction or terms of reference should be framed by ISAR.

60. The Chairman suggested that ISAR should start consultations with the World Bank and IFAC for a global master-plan on accounting education and related

matters, and an ad hoc committee should be formed to propose a plan of action. The Group agreed to that proposal.

61. The Group then considered the proposal that the United Nations should organize a forum to discuss the responsibilities and liabilities of auditors. The Chairman suggested that the United Nations invite lawyers, members of accountancy bodies and accountancy firms, and government regulators. The representative from the European Community thought that the topic was primarily a problem for developed countries and that it would need careful preparation. He therefore asked that it be kept as an item but postponed. He also pointed out that preparations for such a forum should take into account the various legal environments throughout the world. The experts from France, the Netherlands and Switzerland agreed with the idea of postponing the forum.

62. The experts from the Czech Republic, India and Sudan stated that they were all trying to deal with the problem and that the topic should not be postponed since it was a world-wide issue. The Group concluded that the forum should be held during the 1995 session.

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ADOPTION OF THE AGENDA AND OTHER ORGANIZATIONAL MATTERS

1. At its 1st meeting, on 4 March, the Group adopted the agenda, after deleting item 4 (Provisional agenda for the twelfth session of the Group), because the question had already been considered at the tenth session of the Group.

2. The Secretary of the Group reminded the members that the terms of 18 countries would expire at the end of 1993. If they wished to renew their memberships, their Governments should indicate that in writing as soon as possible. The elections for the Group would be held on 29 and 30 April. If re-elected, a country would serve for a three-year term.

3. On the basis of three draft decisions proposed by the Chairman the Group then considered the remaining organizational matters, such as the size of the Group, the funding of the travel of experts from developing countries and the resources allocated to the work by the United Nations Secretariat, as well as the timing of the meeting. Several experts reminded the Group of the special nature of the present session as approved at the ninth session in 1991. They questioned whether it was appropriate to have resolutions on the agenda that did not specifically relate to the topic assigned for such a special session. For this reason, the experts from France and the Netherlands abstained from voting on all three resolutions.

4. The Group noted the growing number of countries interested in the work of the Group, particularly new Member States, many of them countries in transition. The expert from Germany said that he supported the increase in membership. Furthermore, he supported open membership since all interested members of the Economic and Social Council should be able to join. There was no reason to have a closed shop. The expert from Switzerland favoured a step-by-step approach and thought that an increase to 40 or 50 would be more appropriate. The Chairman stated that there were no countries from North America and that some countries which had large accounting professions were absent. In particular he made a strong appeal that the United States of America rejoin the Group. The Group concluded that it would request an increase in membership to 50 according to the following pattern: 13 members from African States, 10 from Asian States, 6 from Eastern European States, 7 from Latin American and Caribbean States and 14 from Western European and other States.

5. The Group then discussed the funding of the expenses of experts from developing countries for attending the sessions. The representative of the World Bank stated that he often faced the problem of balanced participation of experts from developing countries and that it was necessary to fund their travel. The experts from Gabon, Nigeria and India supported the proposal to fund the expenses of experts from developing countries within existing resources and appealed to the experts from France and the Netherlands to consider the matter despite their reluctance on procedural grounds. The Group concluded that it would request the General Assembly to consider granting travel assistance, within existing resources.

6. The Group then discussed the impact of the restructuring of the United Nations Secretariat on its work. Since the Group was the only forum open to developing countries and countries in transition, it was necessary to ensure that the Group would have sufficient resources to fulfil its mandate. The expert from Nigeria stated that financial reductions would affect the implementation of the programme of work and cause developing countries to suffer. Therefore, it was important to consider the impact of restructuring at the present session. The representative of the World Bank noted that large organizations often gave mandates but then did not vote the resources. Given the lack of rationality, he agreed with the necessity of having a specific resolution on the subject. The Group concluded that it should call upon the Secretary-General to ensure that the appropriate structure and resources were made available within the United Nations Secretariat so that the Group could effectively carry out its mandate.

7. Lastly, the Group decided to retain early March as the date for its session, since a number of experts had adjusted their schedules accordingly.